House Committee on Appropriations Subcommittee on State, Foreign Operations, and Related Programs Wednesday, March 6, 2019

Chairwoman Lowey, Ranking Member Rogers, distinguished Members of the Committee:

Thank you for this opportunity to testify today in support of priorities important to Hawai'i and the Indo-Pacific region. Since the end of the Second World War, the United States has helped to build a free and open order in the Indo-Pacific region that guaranteed security, enhanced trade and development and promoted human rights. This rules-based order created conditions that prevented large-scale war and encouraged economic growth and democratic development, allowing the region to become one of the fastest-growing in the world. Among the success stories of this regional order is China, a country that, in just a generation, lifted countless millions out of poverty and grew to become one of the world's largest economies.

With its rising power and influence, China now proposes an alternate vision for the Indo-Pacific and the world – one that rejects the rules-based, liberal democratic order. Their version exports authoritarianism, rejects human rights and advances Chinese interests in trade, development and security to the detriment of other countries. Despite the many other challenges we face in the Indo-Pacific, including North Korea and terrorism, China's rise poses the most significant long-term threat to U.S. interests and regional stability.

Hawai'i and a Free and Open Indo-Pacific

Sitting in the middle of the vast Pacific Ocean, Hawai'i is the most isolated place from any continent in the world. It is as close to Asia as to the East Coast of the continental United States. In fact, Honolulu is closer to Tokyo than it is to Washington by almost a thousand miles.

This unique geographic position means that Hawai'i is also economically, culturally and historically linked with the Indo-Pacific region. As then-Secretary of State Hillary Clinton noted in 2010, Hawai'i is "America's bridge to the East." Hawaii's interconnected economy and security depends much on the existing order of free and open trade and regional stability backed by U.S. alliances and partnerships.

Two presidencies and multiple Congresses over the past decade have committed the United States to the same basic strategy in the Indo-Pacific: strengthening alliances and partnerships, increasing our military presence and engagement and promoting trade, development, and the rule of law. Congress affirmed this strategy last year through the Asia Reassurance Initiative Act, and I urge this Committee to appropriate the necessary funding to carry out that act and support related programs that contribute to our strategy in the Indo-Pacific.

To that end, I request that the committee increase funding for the East-West Center, the Foreign Military Financing (FMF) and International Military Education and Training (IMET) programs, and Development and Humanitarian Accounts for the Indo-Pacific.

The East-West Center

The complexity and rapid pace of change in the Indo-Pacific demands both consistent engagement and specialized research and study to inform U.S. policy. Since 1960, the East-West Center has fulfilled this role as a national educational institution established by Congress to foster better relations and understanding between the United States and the Indo-Pacific region. Its programs include education, research and professional development for students, scholars and officials from across the Indo-Pacific region.

The East-West Center has used its federal funding effectively to build robust engagement in the Indo-Pacific. In 2018, the Center had over 3,400 participants from 41 countries in its

programs. For example, through its newly launched Asia-Pacific Smart Cities Initiative (APSCI), the Center brings together U.S. and Asia municipal leaders and planners to address urbanization challenges in the region. The Center has also demonstrated a strong history of cooperation and engagement with DOD, the State Department, and the public. The Center's office in Washington, DC hosted 24 public events last year and has expanded its public engagement through new digital publications on Indo-Pacific issues.

With these many accomplishments, it is no surprise that a 2018 report from the University of Pennsylvania ranked the East-West Center as the fourth-best government-affiliated think tank in the world, just below our own Congressional Research Service, which ranked third.

Renewed interest in the Indo-Pacific over the past decade have significantly increased opportunities for the Center to grow and build on its success and help advance America's national security agenda in the Indo-Pacific. For FY2020, I respectfully ask that the Committee provide \$20.1 million to the East-West Center to support its continued growth. These funds will allow the Center to advance its Smart Cities Initiative and develop new programs on artificial intelligence, the Compact of Free Association (COFA) nations, and disinformation in media in the region. Critically, additional funding will support new staff positions that will enhance the Center's ability to sustain and further its growth.

The East-West Center's work not only furthers our understanding of the Indo-Pacific region but also enhances our relationships with citizens, scholars, diplomats and military officials from other countries in the region. Over the years, the Center has become an important component of our outreach and soft power in the Indo-Pacific, creating a widespread network of 65,000 alumni throughout the region. Increased funding to \$20.1 million for FY2020 will go a

long way in helping the Center build on its important work in the Indo-Pacific and advance our national security interests.

FMF and IMET Programs

Alliances and partnerships are central to the success of our foreign policy in the Indo-Pacific. Over the past seventy years, the U.S. has built a network of bilateral relationships that enhance our mutual security interests in the region. In the face of growing threats in the region, it is imperative that the United States reinforce our security cooperation with allies and partners in the region, not only with our traditional allies in Japan, South Korea, Australia, Thailand and the Philippines, but also with newer partners like India, Vietnam and the Pacific island countries.

Both the FMF and IMET programs help strengthen these security relationships by providing grants for partner countries to acquire U.S. defense equipment, services and military training. Together, the two programs build military capacity and professionalism in partner countries, all the while strengthening our relationships and promoting democratic norms in foreign militaries.

Appropriations to the FMF and IMET programs should reflect the strategic importance of the Indo-Pacific to our foreign policy. For FY2020, I request that the Committee provide increased funding for the FMF and IMET programs to be directed specifically towards partner countries in the Indo-Pacific region.

The Economic Support Fund and Development Assistance Accounts

Lastly, our foreign policy must continue to be rooted in openness and freedom, not only in the economies of the Indo-Pacific and the trade we share with them but also in their societies and political systems. As China flexes its economic influence through the Belt and Road Initiative, the U.S. should increase its commitment to development in the Indo-Pacific region.

Key to this commitment are the Economic Support Fund and the Development Assistance accounts, both of which assist developing countries with overcoming domestic political, economic, and security challenges. Our development efforts help spur economic growth and improve quality of life in our partner countries, thereby building their markets for trade with our economy. These efforts are closely connected with our work promoting good governance, democratic values and human rights.

Once more, appropriations to these development and humanitarian programs should reflect our strategic priorities in Indo-Pacific. For FY2020, I ask the Committee to provide increased funding to the Economic Support Fund and the Development Assistance accounts to be directed specifically towards the Indo-Pacific region. Additionally, because USAID and the State Department cannot secure our national security alone, these efforts should be explicitly linked into a larger whole-of-government strategy to answers challenges we face in the Indo-Pacific.

Conclusion

The U.S. goal of a Free and Open Indo-Pacific ultimately seeks to maintain the regional order that has benefited all its members, large or small. While China will continue to be a prominent focus of our engagement in the region, the Indo-Pacific has always been a vital area of interest for the United States. There is no denial that we need a whole-of-government approach to China and the Indo-Pacific. Only by aligning diplomatic, assistance, and national security efforts will we achieve our nation's overarching objectives in the region. Ultimately, our goal is not to contain or deny China its place in the Indo-Pacific, but so long as China fails to responsibly participate in a rules-based regional order, increased U.S. commitment to the region is a strategic imperative. I thank this Committee for its continued support of these vital programs that support our strategic goals in the Indo-Pacific.